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~~OR 94 Lockheed~~CIA 4.01 Multinational
Payoff

The Washington Merry-Go-Round

CIA Knew of Multinationals' Payoffs

By Jack Anderson and Les Whitten

For years, the Central Intelligence Agency has known all about illegal foreign payoffs by multinational corporations. The State and Defense departments, too, were at least aware that foreign leaders were being systematically bribed.

We have pieced together the story from several government sources.

It was standard policy, they report, for the multinationals to keep in contact with the CIA about information that would be helpful in securing contracts abroad.

Our sources distinctly recall that Lockheed representatives, for example, participated in briefings with the CIA in various U.S. embassies.

Like their holdings, the power of these great multinational, multibillion-dollar consortiums extends beyond any national boundaries. Some have become governments unto themselves, with their own foreign service, intelligence apparatus, secret codes and other governmental trappings.

Some corporations, including Lockheed, have used a secret intelligence group composed of former CIA agents in London. Although Lockheed claims to have cut its ties with the group, our sources say the secret organization is still operating.

CIA officials, questioned behind closed doors by Sen. Frank Church's subcommittee, denied any knowledge of the foreign payoffs. The agency, nevertheless, provided the subcommittee with a biography of Yoshio Kodama, Lockheed's \$7 million consultant in Japan.

We have also established that the State Department kept tabs on multi-

national dealings, including the under-the-table payments. Foreign Service officers made it their business to know whom the corporations were dealing with on foreign soil, informed sources swear. Yet for the record, the State Department also has denied any knowledge of the bribery.

The Defense Department also maintained a secret list of foreign agents who received commissions on defense contracts from multinational corporations. The military brass should have been aware from the list, say our sources, that illegal money was being slipped to foreign bigwigs.

Incidentally, our sources acknowledge somewhat ruefully that the bribery often produced contracts.

White House Revolt — President Ford's speech researchers threatened to walk out en masse just as he was hitting stride in his political campaign two weeks ago.

If the five researchers had quit, Mr. Ford would have been deprived suddenly of experts who search out the facts not only for his political speeches, but for his foreign and domestic pronouncements. They also produce research for the White House staff on a variety of subjects.

The squall blew up in the office of Robert T. Hartmann, the veteran Ford aide, who supervises presidential speech writing and the research that goes into it.

After three unhappy speechwriters quit last December, Hartmann reorganized his office. As part of the change, he assigned a trusted political aide, Gwen Anderson, to supervise the researchers even though she has little research experience.

Anderson tangled with the respected White House research chief, Agnes Waldron, and tried to fire her. When Waldron's loyal staff heard the news, they all threatened to quit, with varying degrees of vehemence.

But they deferred the walk-out until Waldron could get a hearing before Dr. James Connor, the amiable presidential Cabinet secretary, who has also developed into an informal White House mediator.

Connor, as diplomatic with staffers as he is with testy department heads, urged everyone to "cool it" while a solution was worked out that would keep President Ford supplied with research.

At this writing, Waldron is still at the White House, but there is no assurance she will stay. Meanwhile, Anderson is holding her own supervision of the speech researchers to a cautious minimum.

Footnote: Hartmann could not be reached for comment. Some White House insiders blame him for the flare-up, while others say he is helping to resolve it. Anderson and Waldron did not return our calls.

Another Revolt—To appease the FBI's powerful friends in Congress, the House intelligence committee's criticism of the FBI was watered down on orders of the staff chief, A. Searle Field.

This caused a mini-revolt among the staff members who prepared the FBI section of the report. Infuriated, they fired off an angry letter of protest to Field, charging that the weakened report was an "unhappy structure," which "we don't like."

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